
The Importance of Investing in Metropolitan Transportation

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**National Association of Counties
Large Urban Counties Caucus
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Metropolitan Transportation Commission

MTC Region: Metro Focus and Partnerships

- Over 7 million people
- Almost 4 million jobs
- Many Partners
 - 9 Counties
 - 101 cities
 - 9 Congestion Management Agencies (CMA)
 - 7 Sales tax authorities — often the same as CMA, but not always
 - Caltrans – District 4 is contiguous with MTC region
 - 3 other regional agencies – Association of Bay Area Governments (ABAG); Air District and Bay Conservation Development Commission (BCDC)



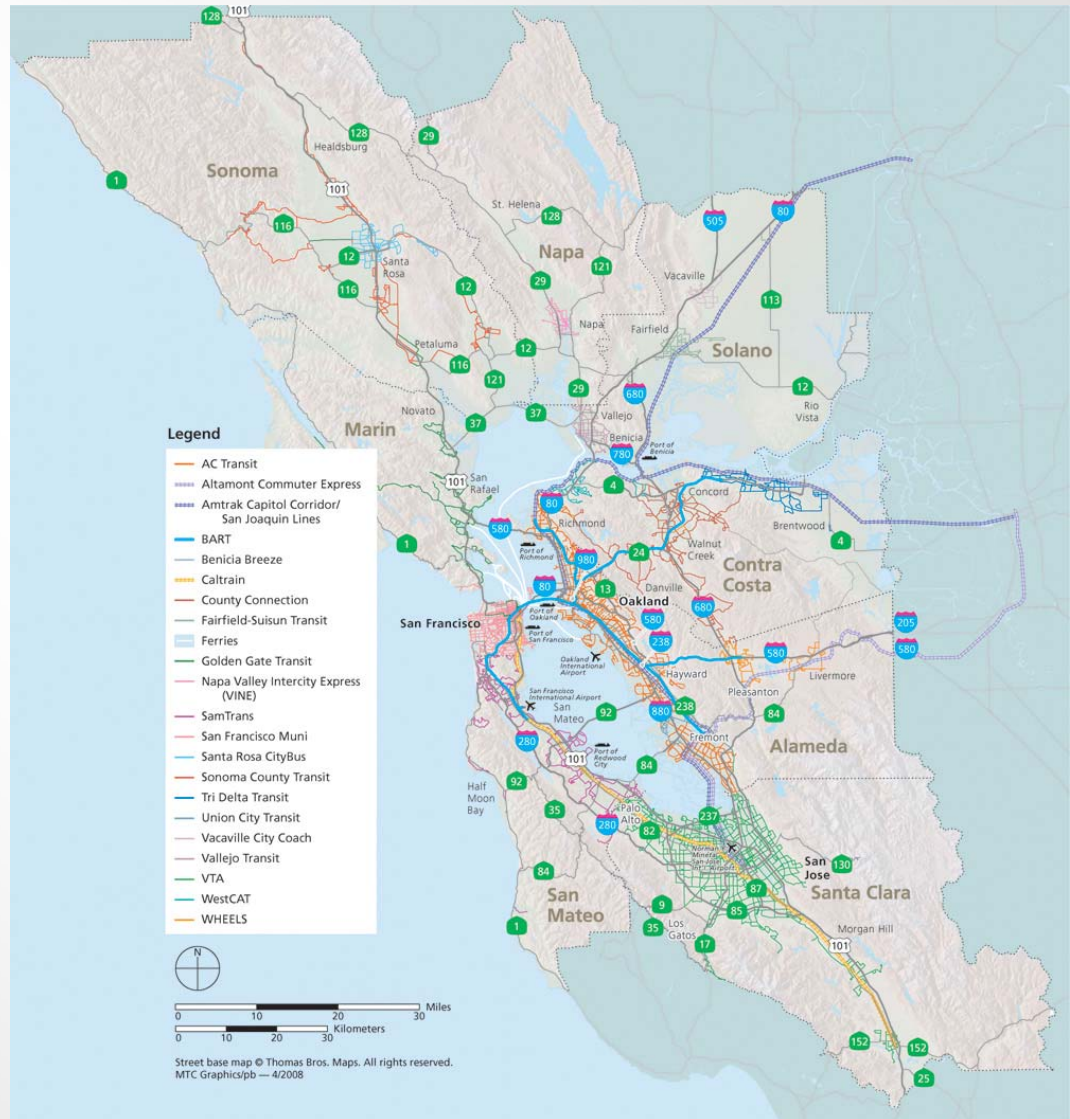
MTC Region: Transit Intensive

➤ Transit

- 24 Transit agencies
- 1.3+ million daily transit riders; nearly 500 Million annual transit riders
- 4,500+ transit vehicles
- Annual transit operating cost: \$2.2B

➤ Other Infrastructure

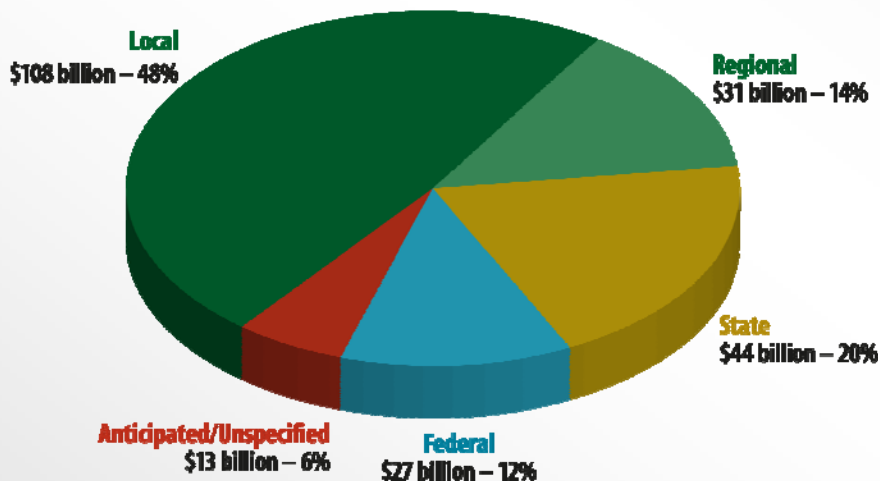
- 20,000 miles of local streets and roads;
- 1,000 miles of bikeways;
- 1,400 miles of highway;
- 340 miles of carpool lanes;
- 8 toll bridges



Bay Area Building Boom

- Despite poor indicators in general economy, Bay Area infrastructure construction is strong
- Success Factors:
 - Bridge tolls available to accelerate project development and construction
 - Strategic and creative fund management
 - Large pool of local funds

Project Plan Revenues: \$223 billion total



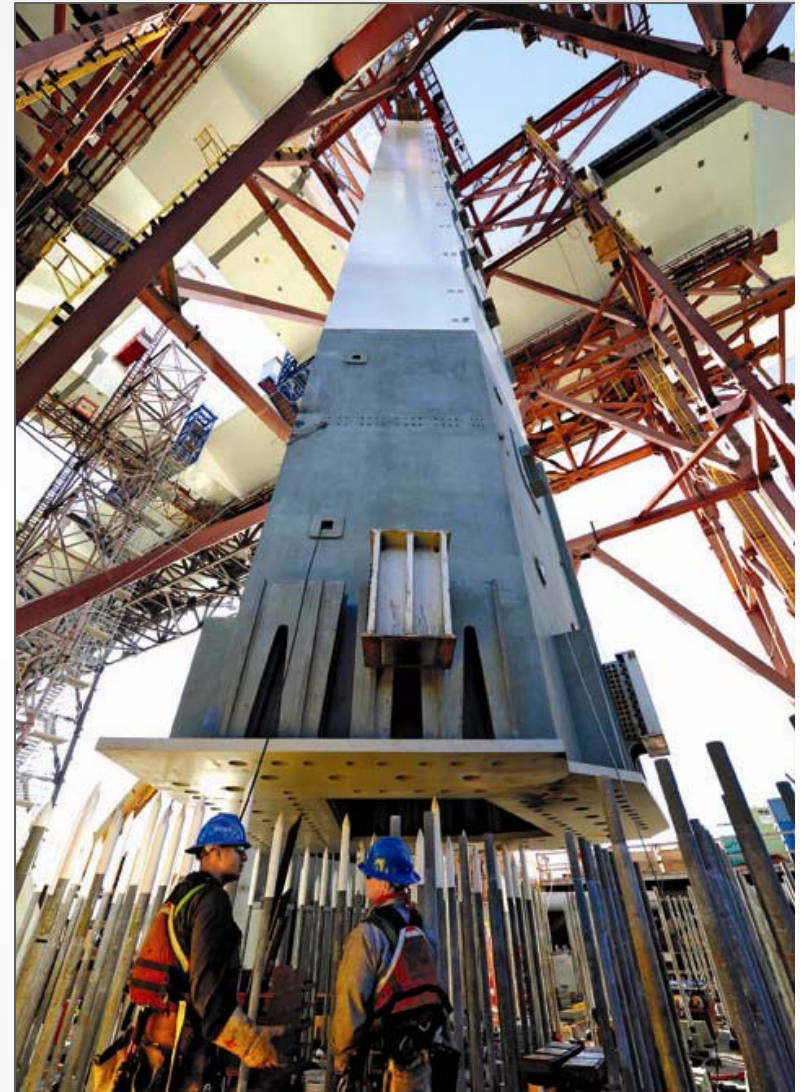
Stretching Across: New Bay Bridge Takes Shape

- MTC's Bay Area Toll Authority, Caltrans and the California Transportation Commission are jointly overseeing this critical seismic safety project.
- The twin decks of the steel suspension section will join up with the already completed concrete Skyway portion of the new bridge in the fall of 2011, with the opening of the full East Span anticipated in 2013.



Rising Above: East Span Tower Nears Top

- The tower now stands just shy of its full height of 525 feet
- Entire \$6.3 billion project replacing key link of Interstate-80 is only 5% federally funded.



Breaking Ground: “Grand Central Station of the West”

- When it opens in 2017, the Transbay Transit Center will serve as a hub for 11 bus and rail operators, including the planned California high-speed rail system.
- MTC helped secure \$400 million in federal funding for the \$4.2 billion project, which is also benefiting from \$350 million in MTC-managed bridge tolls, among other local, state and federal sources.



OneBayArea



Partnering to Develop a Sustainable Communities Strategy
For the Bay Area



California's Three Pronged Approach to Reducing Transportation Greenhouse Gases

(with AB 32 Scoping Plan estimates for GHG reductions in 2020)

- Cleaner vehicles (Pavley, AB 32) - 38 tons
- Cleaner fuels (Low-Carbon Fuel Standard) - 15 tons
- More sustainable communities (SB 375) - 5 tons



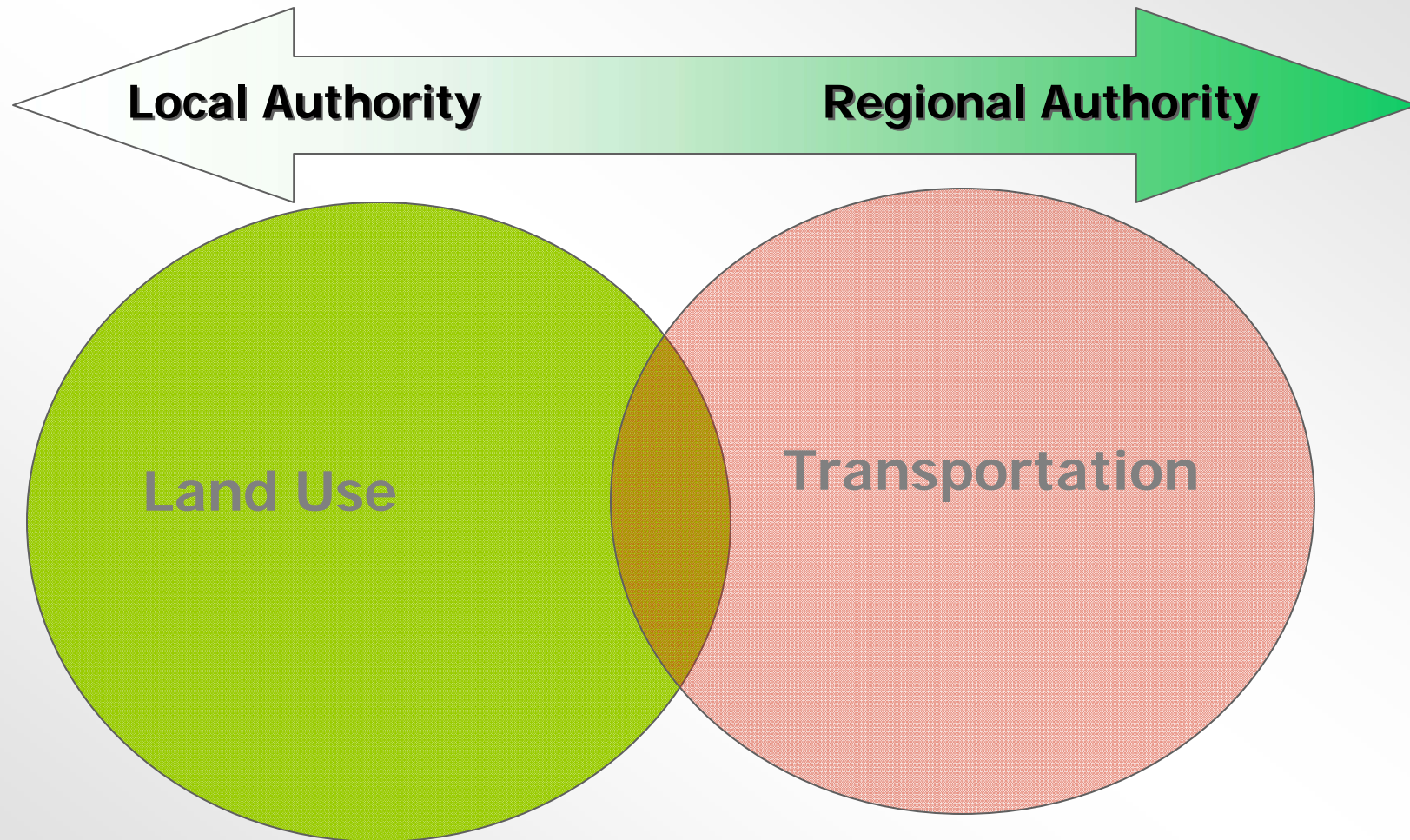
SB 375 Basics

Slide 10

- Directs ARB to develop passenger vehicle GHG reduction targets for CA's 18 MPOs for 2020 and 2035
- Adds Sustainable Communities Strategy as new element to RTPs
- Requires separate Alternative Planning Strategy if GHG targets not met
- Provides CEQA streamlining incentives for projects consistent with SCS/APS
- Coordinates RHNA with the regional transportation planning process



A Local-Regional Partnership is Essential

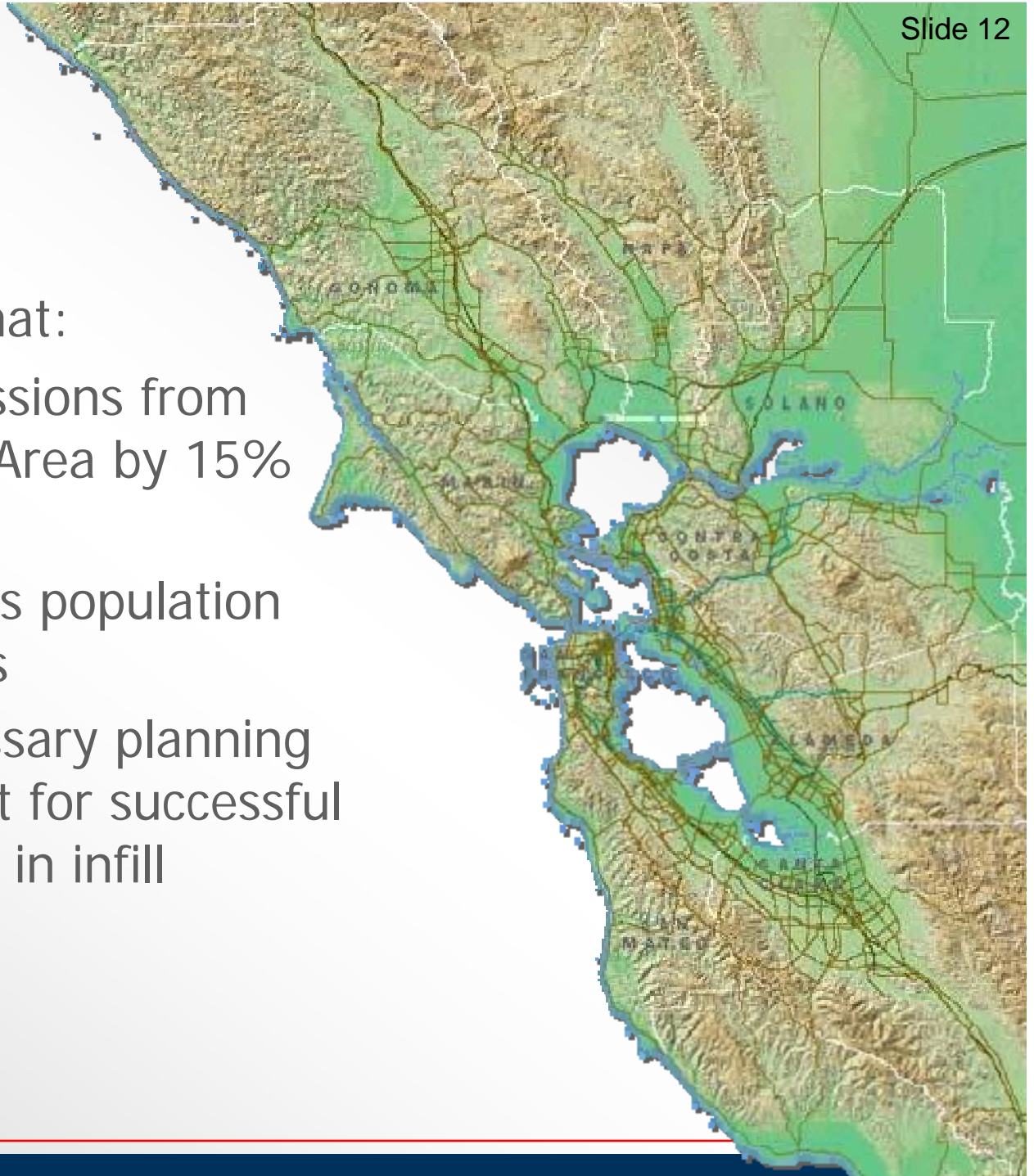


Sustainable Communities Strategy

The Regional Task

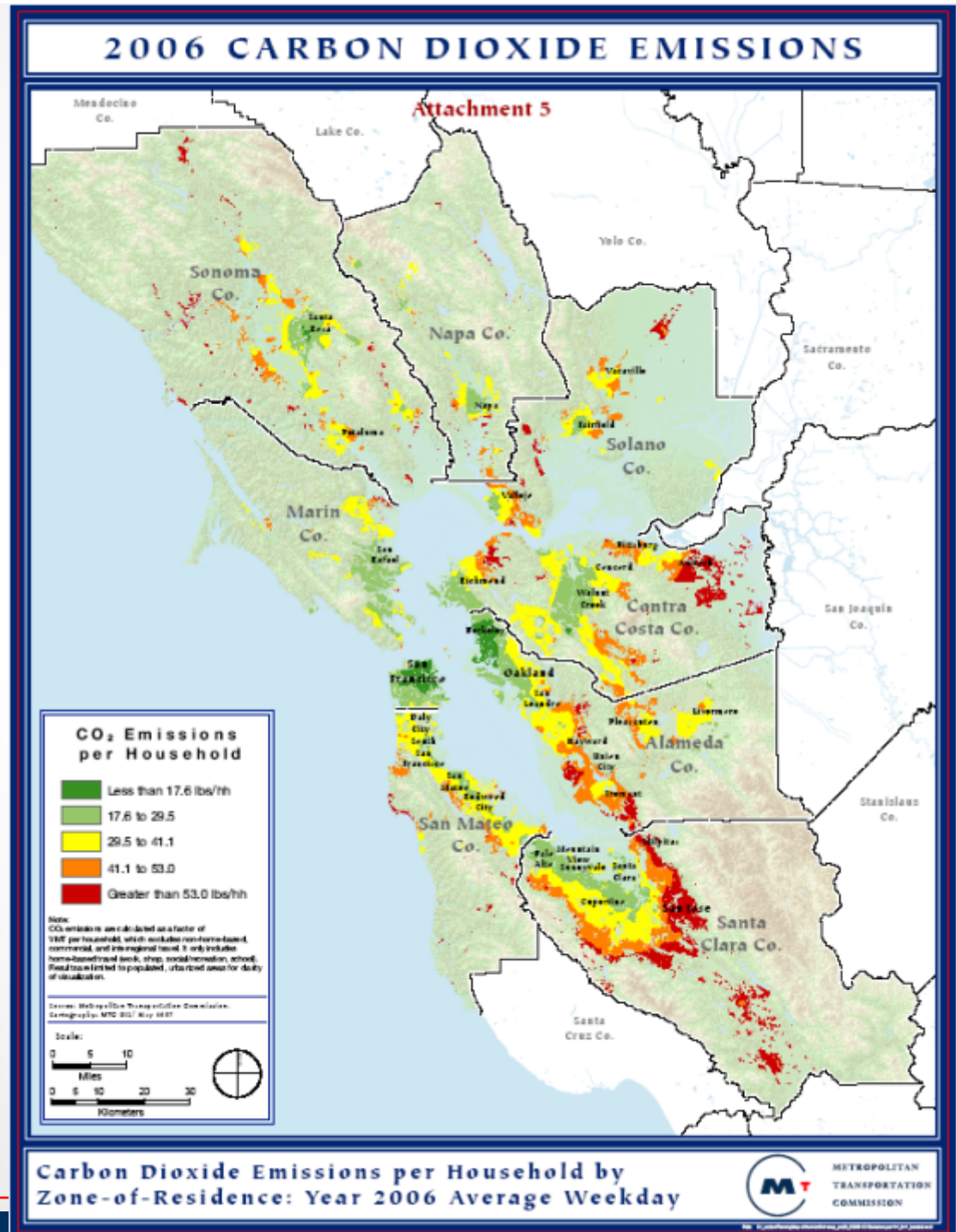
Develop a strategy that:

- Reduces GHG emissions from driving in the Bay Area by 15% per capita in 2035
- Houses the region's population at all income levels
- Provides the necessary planning and capital support for successful private investment in infill development



Location Matters

➤ Growing Cooler:
Compared to sprawl,
compact development
results in a 20 to 40
percent reduction in
VMT and hence in CO₂

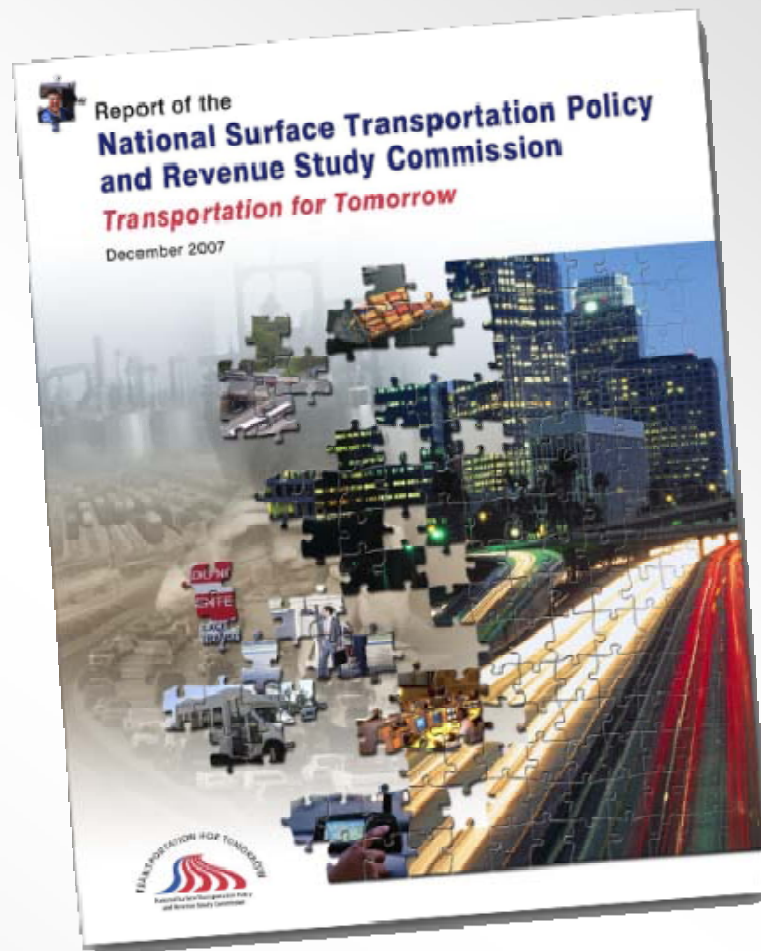


Price Matters Too

- Core Pricing:
Driving is more expensive in the urban core with higher parking costs and bridge tolls



Metropolitan Transportation Policy: A Matter of National Importance



National Commission Recommendations

- The federal surface transportation program should not be reauthorized in its current form. Instead, we should make a new beginning.
- The federal program should be performance-driven, outcome-based, generally mode-neutral, and refocused to pursue objectives of genuine national interest.



Metro Areas Greater Than 1 Million



Metros Capture Huge Market Share

	Metro Areas >1 Million
1 Share of U.S. Population	58%
2 Share of GDP	61%
3 Share of Traffic Congestion	97%
4 Share of Transit Ridership	92%
5 Share of Population Exposure to Criteria Pollutants	88%

Sources: U.S. Census, Texas Transportation Institute, U.S. Conference of Mayors, EPA

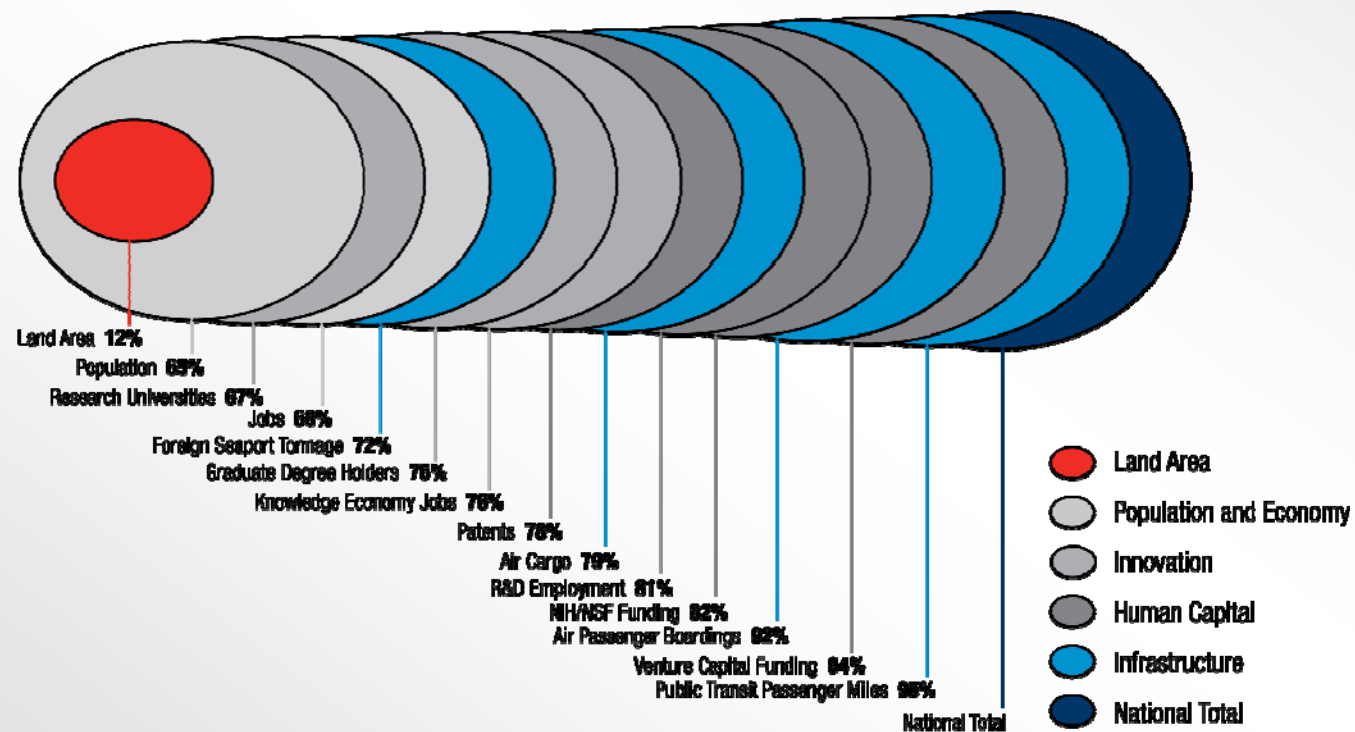


Metropolitan Mobility: Setting Goals and Achieving Results

Major Metros Contain the Fundamental Drivers of Prosperity:

65 Percent of the Nation's Population and 75 Percent of the U.S. GDP

Percentage of National Activity in 100 Largest Metro Areas, Various Indicators, 2005



Source: Brookings Institution, 2007 (www.brookings.edu/metros)

- Investing a larger share of federal transportation funds in our metropolitan areas will focus on the key drivers of prosperity: high-value jobs, educated workers, and institutions of higher learning.

Metropolitan Mobility: Setting Goals and Achieving Results

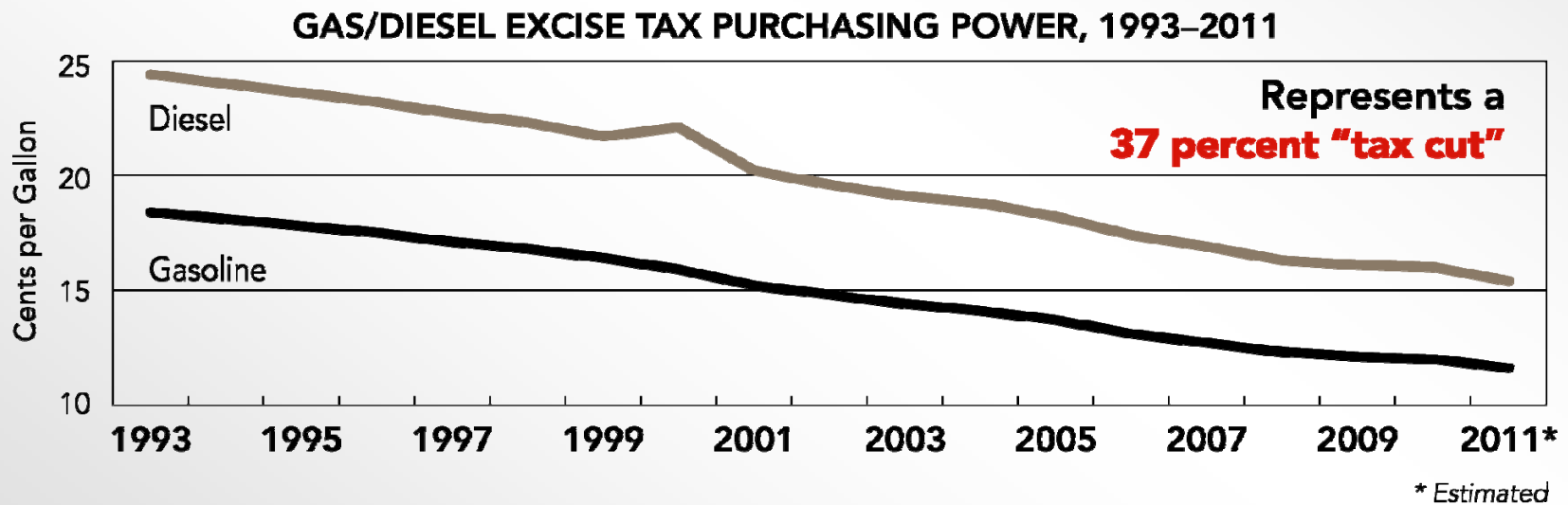
Congress should create a Metro Mobility Program that:

- Provides accountability through performance objectives consistent with national goals for congestion relief, access to transit, air quality and climate change.
- Provides direct-funding allocation to major metro areas with a population of 1 million or more.
- Establishes flexible project eligibility to assure that the most effective projects are selected.
- Requires the same local match and project screening requirements regardless of the type of project.



Paying the Bill: Restore the User Fee System

- Urge Congress to replace the current federal excise (per gallon) taxes on gasoline and diesel fuel with a fixed sales tax initially set on a revenue-neutral basis.



Paying the Bill: Restore the User Fee System

- In order to generate equivalent revenue to the current federal excise tax, the sales tax rate would need to be about five percent (at a national average gasoline price of \$3.60 per gallon).

This solution meets three critical tests:

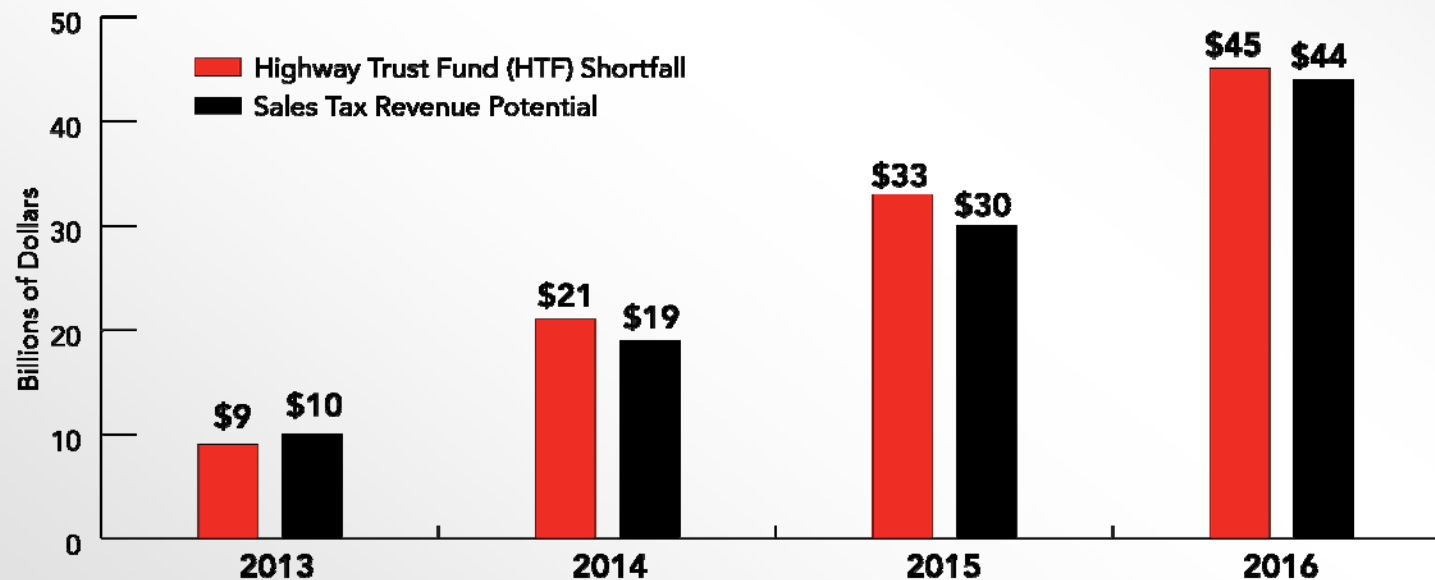
- It does not raise taxes.
- It does not worsen the federal deficit.
- It closes the gap in the growing federal surface transportation program.



Paying the Bill: Restore the User Fee System

- By shifting from a per-gallon tax to a sales tax on fuel, Congress can maintain the user-fee principle that has characterized federal transportation funding for generations.

Closing the Highway Trust Fund Gap, 2013–2016



Source: American Association of State Highway and Transportation Officials (AASHTO)





Metropolitan Transportation Commission

www.mtc.ca.gov/funding